

# *City of Alexandria, Virginia*

---

## **MEMORANDUM**

DATE: OCTOBER 2, 2013

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: JOEL MARCUSON, P.E. DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM # 6 - FY 2015-2024 CIP UPDATE

---

**ISSUE:** Update on FY 2015- FY 2024 City Capital Improvement Program (CIP)

**RECOMMENDATION:** That the Transportation Commission (Commission) receive the update and provide guidance to staff for preparation of FY 2015 CIP for inclusion in the City Manager's FY 2015 budget.

**DISCUSSION:** Each year the City Manager presents a proposed City Budget to the City Council for consideration and action. As part of the budget process, a ten-year Capital Improvement Program (CIP) is developed programming funding for major capital projects in the City. Funding for CIP comes from the City's general fund, grants and other non-City sources of funding including developer contributions.

As part of the Council's Strategic Plan, one of the objectives is to *develop local, reliable funding mechanisms to support a fiscally constrained transportation plan*. In 2011, the Council approved a 2.2 cent reservation of the property tax to fund transportation projects. This funding has provided the opportunity to fund many of the projects on the Long Range Transportation Plan (LRP) over the next ten years. However, there are still a number of unmet funding needs.

For the FY2014-23 CIP, the Commission recommended the following policy guidance to staff in November 2012, which was consistent with the guidance for the previous year's FY2013-22 CIP:

- Maintain funding priorities/levels from FY 2013 Transportation Improvement Program
- Limit funding adjustments within TEP and Base CIP-Other
- Maintain funding for highest priorities set by Transportation Commission

An analysis was completed to determine the percentage of the total CIP funding that was budgeted for each mode of transportation, over a historical period, FY 2009 through FY 2014 (Attachment 1). Over the past five years, the percentage of total CIP funding that has been allocated toward both non-motorized, and transit projects has had a general increase. Meanwhile, the percentage of total CIP funding allocated toward Street and Bridge projects has decreased, with the exception of the FY2014 budget where there was a modest increase over the previous two years. These changes are consistent with the priorities set forth in the 2008 Transportation Master Plan and Transportation Commission guidance.

This past year House Bill 2313 was signed into law and levies additional taxes and fees to generate additional revenue for transportation projects that will be administered through the Northern Virginia Transportation Authority (NVTA). As a result of this new funding staff is proposing the following guidance for the Transportation Commission for the FY 2015 budget:

**PROPOSED FY 2015-2024 FUNDING GUIDANCE:**

- Maintain funding for highest priorities set by Transportation Commission
- Allocate NVTA 70% funds for high priority major capital investments with regional impacts, with an emphasis on leveraging non-city funds and/or accelerating project delivery
- Utilize funding sources with least restrictions on project eligibility (i.e. CMAQ, RSTP, and NVTA 30% funds) for non-motorized projects, project development, ADA improvements, maintenance and operations
- Commit adequate operating funds to provide the project management, procurement and management staff resources necessary to implement new capital projects and programs efficiently
- Ensure that city transportation funding is maintained or increased above the required maintenance-of-effort requirements of HB2313, to provide new transportation capacity and enhanced transportation services and programs while also maintaining existing assets in a state of good repair

Staff anticipates taking Transportation Commission guidance, working with the Transportation Commission Subcommittee and bringing back CIP priorities in December / January for consideration by the City Manager for preparation of his budget.

**Attachment 1: CIP Budget by mode**

**CIP Historical Budget by Mode**

<b>CIP Year</b>	<b>Transit</b>	<b>Non-Motorized</b>	<b>Streets &amp; Bridges</b>	<b>Fixed Transp. Equipment</b>	<b>TOTAL</b>
2009 Percentage	41%	1%	48%	10%	100%
2010 Percentage	51%	3%	39%	7%	100%
2011 Percentage	43%	9%	37%	11%	100%
2012 Percentage	60%	11%	22%	7%	100%
2013 Percentage	54%	15%	22%	9%	100%
2014 Percentage	47%	12%	34%	7%	100%

NOTE: Transit excludes funding for Potomac Yard Metrorail station, and WMATA Capital funds

Real Estate Tax for Transportation Improvements was introduced in FY 12